

**RESOLUTION OF THE DURHAM COUNTY BOARD OF COMMISSIONERS
AMENDING ITS POLICY ON FINANCING CAPITAL PROJECTS**

WHEREAS, Durham County adopted on March 27, 1989, a policy setting forth that the county will annually update and review its capital needs and its plan for financing the payment of debt for projects financed by long-term borrowing; and

WHEREAS, Durham County recognizes that the goal of its capital financing policy is to provide for the adequate funding of the county's capital program while avoiding erratic increases and decreases in the county's property tax rate; and

WHEREAS, in an attempt to meet this goal, the Board identified in the policy certain sources of revenue to the county from which funds would be used for the satisfaction of the county's debt obligations; and

WHEREAS, this policy applies to the governing board and administration of the county and may be revised from time to time by the governing board as it deems appropriate to meet the changing needs of the county for capital financing;

NOW, THEREFORE BE IT RESOLVED that the Board of Commissioners of Durham County hereby amends its policy of financing pay-as-you-go capital projects revised and approved on July 9, 1990 as follows:

The county will annually designate up to twenty percent (20%) of:

1. Article 40 and Article 42 one-half cent sales taxes,
2. The county's share of the occupancy tax,
3. Countywide property taxes,
4. The appropriate pro rata share of the retail/wholesale tax reimbursement,
5. In addition, dedicated property tax revenue to 20% of a maximum of five cents (or 1 cent) in countywide property taxes.

AND BE IT FURTHER RESOLVED that all provisions of the policy adopted on March 27, 1989, which are not inconsistent with the provisions hereof remain in full force and effect.

Upon Motion properly made and seconded, adopted by the Board at its regular meeting of June 24, 2002.